



Germans Plunge 7 Miles Beyond the Aisne; Cut Road to Rheims; Americans Win Town

Express Lines United Under U. S. Auspices

George C. Taylor to Head New \$30,000,000 Corporation July 1

Many Employees to Get Increased Pay

McAdoo Approves Plan; Government to Receive Part of Net Revenue

WASHINGTON, May 28.—One union express company for the United States was created to-day by agreement between Director General McAdoo and the Adams, American, Wells-Fargo and Southern companies. Their transportation business will be merged under a new private corporation with capital of more than \$30,000,000, to be known probably as the Federal Express Company.

George C. Taylor, now president of the American, will be head of the new concern.

After July 1, when the combination becomes effective, shippers will direct shipments "by express" without regard to company, and soon thereafter the individual names of the separate companies will begin to disappear from wagon, stations and cars.

The company will be the express carrying agency of the railroads, operating privately, but under contract to turn over 50 per cent of its gross revenues—more than \$200,000,000 last year—to the roads for transportation privileges.

Employees to Get More Pay

Three smaller railroad-owned companies, the Western, Great Northern and Northern, may join the combination later.

A pending application for 10 per cent increase in rates for the express operation of railroads or the express combination was contemplated, will be passed upon soon by the Interstate Commerce Commission.

More than 100,000 employees of the four companies are to be retained under the new corporation, and their wages will be raised in many cases, according to Mr. Taylor. The amount will be determined after the scale of wage advances ordered for railroad employees is examined carefully.

Through economies by the common use of wagons, trucks, distributing stations, city offices, warehouses, railroad cars and other equipment and the simpler cost of operating the merged companies hope to save many millions of dollars and to render better service.

Merger to Be Permanent

Though the merger is arranged under a temporary agreement, it is planned as permanent and is subject to the subject which for years has been discussed in vain.

Last year the four leading companies barely made expenses, and the Adams recorded a deficit. Early in the year showed even a worse record, owing to the general demoralized condition of railroad transportation, the rise in cost of materials and shortage of labor.

Some officials of the companies sought to have the railroad administration take over the companies, along with the railroads and guarantee the average pre-war earnings, which would have been about \$3,700,000 a year, but Director General McAdoo declined to extend his field of operations to this extent.

The new concern's name will be the Federal Express Company, unless existing small companies with that name in two states object. It will have stock of \$30,000,000, representing the actual value of properties needed, and, in addition, enough stock to provide ample working capital.

Distribution of the Stock

The stock will be distributed among the four companies in proportion to the comparative value of the properties they contribute, to be determined after further valuation proceedings. Each of the companies will continue its financial business, such as dealing in money orders, foreign exchange and limited banking, individually, and with the Union Express Company as their agent. The corporate identities of the companies will be retained.

Out of the 49 per cent of gross earnings retained by the union corporation will pay operating expenses, taxes and dividends of 5 per cent on its capital stock. Out of the next 2 per cent available for distribution the company will receive 1 per cent and the government 1 per cent. Out of the next 3 per cent the company will get 1 per cent, the government 2 per cent. One-fourth of amounts above this will be distributed to the company and three-fourths to the government.

The express company is given a continuing inducement to accomplish the greatest efficiency and economy, said the railroad administration, "and yet the government will enjoy an increasingly great proportion of the benefits of all such efficiency and economy."

Taylor's Rise Spectacular

The express company will be permitted to use station agents and other railroad employees jointly with the roads, but their compensation will be paid entirely by the company. The four companies now have an aggregate capital of \$67,000,000—\$24,000,000 of which is paid up.

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Berlin Boasts About Two Lone Americans

(By The Associated Press)

WITH THE AMERICAN ARMY IN FRANCE, May 28.—Two lone Americans gave the Germans an opportunity to mention the capture of "prisoners from American regiments" in the German official communication to-day.

One of the Americans is missing in Picardy and one in the Luneville sector. These are the only men reported missing.

Plans to Pass Revenue Bill In August

Kitchin Charges Publishers' Plot to Modify Postal Rates

WASHINGTON, May 28.—Congress to-night apparently had found a way to provide the new revenue legislation insisted upon by President Wilson without abandoning entirely its long cherished plan to get out of Washington for a summer vacation.

Leaders of both parties joined in conference over a programme proposed by Representative Garner, of Texas, a Democrat, of the House Ways and Means Committee, and it was given general approval. The plan contemplated prompt action on pending appropriation bills, to be followed about June 15 or 20 by a recess of both houses until August 1, while the Ways and Means Committee frames the revenue bill. After passage of the measure by the House, probably about August 10, the House would recess for thirty days to await action in the Senate.

Believe Wilson Willing

This programme has not been discussed with the President or Secretary McAdoo, but leaders at the Capitol are taking it for granted the Administration has no legislation of imperative importance to bring forward, and that their plans will not be interfered with so long as work on the revenue bill goes ahead.

Mr. Garner's proposal developed during a day of private discussion on both sides of the Capitol, reflecting the general reluctance on the part of everybody to settle down to an all-summer session. Mr. Garner said it had been agreed to by Republican Leader Gillett, Representative Moore, of Pennsylvania, and other Republican members of the Ways and Means Committee, Representative Sherley, of Kentucky, chairman of the Appropriations Committee; Chairman Simmons of the Senate Finance Committee, Republican Leader Gallinger, Senator Lodge and other Republicans of the Senate.

Submit Plan To-day

The plan will be submitted to the Ways and Means Committee to-morrow, when the committee meets to prepare for hearings soon to begin on the new bill, which probably will levy about four billion dollars in additional taxes, largely upon incomes, excess profits and luxuries. The Democrats of the committee probably will frame a tentative draft, upon which the tire membership will build the bill after hearings lasting a fortnight or more.

Representative Kitchin, of North Carolina, chairman of the Ways and Means Committee, made a speech in the House to-day explaining his attitude toward immediate revenue legislation, and charging that a powerful lobby, working for revision of the zone postal rates on newspapers and periodicals, was responsible for the demand for keeping Congress in session.

He declared the lobby hoped to have their revenue bill passed by the Senate put in amendment repealing or modifying the zone system law in the revenue bill, and to keep it there by getting the President or the Secretary of the Treasury to insist upon the House conference yielding upon election or adjournment time approached.

Explains Urging Delay

Mr. Kitchin explained his position as to revenue legislation, saying he wanted to show he acted in good faith recently in trying to induce members of both political parties to postpone adjournment and take up the legislation in the fall, he said, were due to the attitude of the Administration and the Treasury, which as late as March 15 notified him the legislation was not desired now.

"I do not think that the Secretary of the Treasury thought it was necessary to have this revenue measure at this session until his return from the Liberty Loan campaign," said Mr. Kitchin. "In fact, I know he did not think it was necessary when he began that campaign."

"But I think, after going out in the campaign, seeing the situation from another viewpoint, and after getting to Washington with a closer eye upon Treasury conditions and learning the demands of the different departments for enormously increased appropriations, he became unduly alarmed and gave undue weight to the opinion of Treasury officials, and was convinced

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U.S. Troops On Offensive In Picardy

They Capture Cantigny Village and Take 200 Prisoners

Counter Attacks Are Beaten Off

Pershing's Men Drive Forward on Front of Mile and a Quarter

(By The Associated Press)

WITH THE BRITISH ARMY IN FRANCE, May 28.—The American troops on the French front near Montdidier delivered an attack against the German positions, fought their way through all objectives, including the village of Cantigny, and captured 140 prisoners.

The American attack was along a two-kilometre front, and it seems to have taken the hard hitting Americans just about three-quarters of an hour to complete their conquest, which included that amount of territory as well as the village of Cantigny—an exceptionally short time for such an operation.

This remarkably fine showing comes as a fitting companion piece to the brilliant work done by the United States soldiers in repulsing an enemy assault made against them in the same region yesterday. One American division was attacked at that time, and the graycoats met with a complete reversal at all points.

This enemy attack was not a heavy one, however, and was easily dealt with by the Americans, who had the situation well in hand at all times.

Word of these two victories has added much to the very favorable impression which the American troops already have created along the British front. It was a foregone conclusion that the Germans would make the newest of the Allies along this front the object of an attack, in an attempt to push them back and thereby create a feeling that they had formed a weak link in the defending chain.

The general opinion of the way in which these American troops have handled themselves in the last two days seems to be summed up in a comment made to the correspondent this afternoon by a French liaison officer.

"Magnificent!" he exclaimed with delight. "That is the sort of stuff we will give the Boche."

"Americans Are Wonderful!" Cry French Soldiers

(By The Associated Press)

WITH THE FRENCH ARMY IN FRANCE, May 28.—In the brilliant action noted in the French official communication, an American regiment captured the village of Cantigny, and also a salient 2,000 yards wide and 600 yards deep, in addition to 170 prisoners.

The Americans left their trenches at 6:43 after a heavy artillery preparation and covered the 600 yards in 10 minutes. They carried machine gun positions with hand grenades. French tanks cooperated. The houses and cellars in the village were captured.

The Americans reached the German second position and consolidated themselves within three-quarters of an hour. French troops witnessing the operations exclaimed: "The Americans are wonderful!"

LONDON, May 28.—"Great satisfaction is expressed among the British troops at the news of the successful attack by the Americans near Montdidier," says Reuters' correspondent at headquarters.

Severe Losses Inflicted on Foe, Pershing Reports

WASHINGTON, May 28.—American troops in Picardy destroyed this morning on a front of one and a

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Pershing Said To Have Kept Wood at Home

War Department Silent on Shelving of Senior Major General

Awkward Position For Administration

Washington Generally Believes Big Job Will Be Found for Officer

By C. W. Gilbert

WASHINGTON, May 28.—General Wood saw the President shortly after 6 o'clock to-day. Afterward the general said he was a soldier and would obey orders. The White House said nothing. The War Department would explain nothing.

The nearest to an official explanation of the sudden change of orders to the senior major general of the army came from a member of the Cabinet, who said that "there were good military reasons for it which the public would approve if they could be given," a statement which fits in with every possible theory of what has happened, and there are many.

Secretary Baker, who appeared less jaunty than usual, strove, nevertheless, to pass off the change of orders to Wood as an ordinary incident which ran on all fours with a similar change regarding General Franklin Bell. No one who heard him was convinced.

General Wood has asked not to be sent to San Francisco, but to be retained in command of troops preparing for France. Probably his request will be granted.

Pershing Said to Have Objected

The order relieving Wood of his command was sent to Camp Funston. It failed to reach him there, but overtook him on his way to the Coast. That is how the extraordinary circumstances of his removal just as he was about to embark arose.

As for conjecture, the best guess, the one most consistent with all the facts, is that General Pershing objected to the sending of General Wood to France, and this forced the Administration to change its plans after it had ordered him abroad.

There is reason to believe that members of the administration put out this explanation, but there is no positive evidence that they did. Against it lies chiefly the belief of General Wood himself that Pershing did nothing of the sort. And General Wood only recently has returned from France, where he was in contact with General Pershing.

The theory that General Pershing prevented General Wood's going to France rests on the difficulty of being

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Foch Rushing Reserves to Danger Point

Allies Outnumbered Ten to One When Aisne Drive Opened

300,000 Germans Engaged in Attack

British and French, Retreating, Leave No Booty for Foe

(By The Associated Press)

WITH THE FRENCH ARMY IN FRANCE, May 28.—At least twenty-five German divisions to-day joined in the attack and forced further back the few French and British divisions holding the line.

Tanks, machine guns and poison gas shells were the principal factors in the advance, aside from the numerically superior forces of the Germans.

Notwithstanding the smallness of the Allied armies, they did their utmost to stay the immense push of the enemy troops, ten times their number. The German advance, which was one of the most rapid since the beginning of the war, could not be held, however, as wave after wave in dense lines came forward.

Reserves Rushing Up

The Western Allied flank has maintained its positions well, and reserves are hurrying toward the danger point of the greatest advance.

The retreat of the French and British was made in orderly fashion, the troops destroying their material as they left or taking it along with them. The army staff still retains the fullest confidence in the outcome of the battle.

The Germans, executing a repetition of their tactics of March 21, threw overwhelming forces which they had brought forward during the night on to the lightly held position extending from the westward end of the Chemin-des-Dames to Courcy, near Brimont.

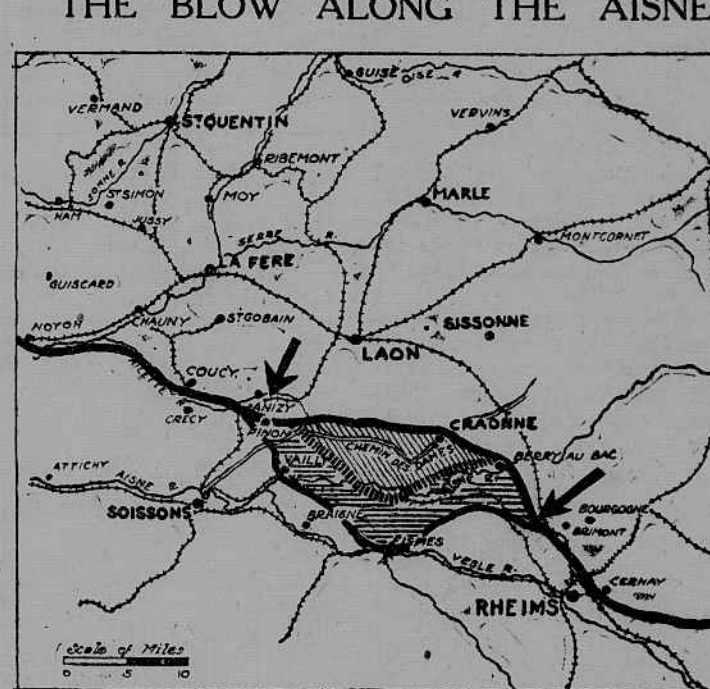
Open With Gas Attack

Among the twenty-five selected German divisions which participated in the onslaught were two Guard divisions. The attack was preceded by the most intense bombing.

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15,000 Prisoners Claimed By Berlin; Foe Crosses Vesle

THE BLOW ALONG THE AISNE



In their continued advance yesterday the Germans crossed the Vesle River between Pismes and Bazoches. Their gains in the second day's fighting are indicated by horizontal lines. Monday's gains are shown by diagonal lines.

The Official Statements

BERLIN, via London, May 28.—The text of the official communication from General Headquarters to-day follows:

NIGHT.—We are now fighting for the Vesle sector between Soissons and west of Rheims, and have captured the southern bank on both sides of Fismes.

Our attack across the Aisne is being continued, and yesterday's successes have been further extended.

DAY.—On the Kemmel and Lys battlefields and on both sides of the Somme and the Aisne the artillery duels increased in intensity yesterday morning. Between Voormezele and Lore we penetrated the French lines and brought back more than 300 prisoners.

The attack of the German Crown Prince to the south of Laon led to complete success. We completely defeated the French and English divisions stationed there.

The army of General von Boehm took the Chemin-des-Dames by storm. The long ridge, against which the great attempt of the French to break through collapsed in the spring of 1917, and which we evacuated in the autumn of last year for strategic purposes, is again in our hands.

After tremendous artillery preparation our infantry at daybreak found their way across the Ailette River, between Vauxaillon and Craonne, and penetrated the English lines further east between Courbeny and the Aisne. Completely taken by surprise, the occupants of the first enemy lines generally offered only slight resistance.

In the early hours of the morning, Pinon, Chavignon, Fort Malmaison, Courtenay, Cerny, the Winterberg and Craonne, the Villerberg and fortified works near and to the north of Berry-au-Bac were taken by storm.

Toward afternoon we reached the Aisne between Vailly and Berry-au-Bac. Vailly was taken. The crater field of last year's spring and autumn fighting was thus captured in uninterrupted attacking pressure.

In the afternoon the attack continued. Between Vauxaillon and Vailly we are on the heights near Neuville and Laffaux and north of Conde.

Between Berry-au-Bac and Brimont we crossed the Aisne and carried the battle into an area which had remained untouched by the war since 1914. The enemy was again driven from the fortified wooded heights on the southern bank of the river. Between Vailly and Beaurieux we reached the heights due north of the Vesle River.

The army of General von Below threw the enemy out of strong positions between Spignol and Brimont back across the Aisne-Marne Canal and the western bank of the canal, and took by storm Cormicy, Cauroy and Loivre.

Up to the present 15,000 prisoners are reported.

Between the Meuse and the Moselle, on the Lorraine front, the fighting activity revived. Advances into the enemy lines resulted in the bringing in of more than 150 prisoners belonging to French and American regiments.

Allies Reestablish Line Northwest of Kemmel, Haig Reports

LONDON, May 28.—Field Marshal Haig's reports from British Headquarters in France to-day said:

NIGHT.—Counter attacks carried out early this morning by French and British troops successfully reestablished our lines east of Diekebusch Lake. Several prisoners were captured in the enemy's attacks yesterday morning in this sector and to the south as far as Lore four German divisions are known to have been engaged.

In the course of the fighting heavy losses were inflicted on these divisions. The Allied line has been maintained at all points.

On the remainder of the British front there is nothing to report beyond artillery activity on both sides in the different sectors.

DAY.—Continuous pressure was maintained by the enemy all day yesterday against the British troops engaged on the Aisne front, and severe fighting is still taking place on the whole front of the British sector.

On our right the 21st Division, in touch with our Allies, held the battle positions throughout the day and successfully withstood the enemy's attempts to advance. In the centre and on the left of the British sector troops of the 8th, 50th and 25th divisions by determined resistance maintained the second line positions against the enemy's assaults until a late hour.

Toward the end of the day the weight of the enemy's attacks carried his troops across the River Aisne to the west of the British sector and compelled the left of our line to fall back. The enemy is developing his attacks in great strength along the whole of the Aisne battlefield.

On the Lys front local fighting was recommenced this morning in the east of Diekebusch Lake.

On the remainder of the British front a number of prisoners have been taken by our troops in successful raids carried out at different points during the night, and the artillery has been active on both sides.

Fierce Fighting Between Vesle and Aisne, Says Paris.

PARIS, May 28.—The War Office to-day issued the following:

NIGHT.—Last night and to-day the enemy, taking advantage of his numerical superiority, renewed his thrust more strongly southeast of Soissons. On our left we counter attacked vigorously, stopped the German advance and broke up attacks on the heights of Neuville-sur-Margival and Vregny, northeast of Soissons, and on the heights in the region of Ciry-Salsogne and Vasseny, dominating the Vesle Valley.

The principal effort was directed toward rolling back the centre on the

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Outnumbered Allies, Fighting Stubbornly, Fall Back Across Plateau

Attack Continues On 20-Mile Line

French and British Regain Lost Ground in Region of Mount Kemmel

PARIS, May 28.—The situation to-night is more reassuring. The latest advices from the front show that while the violence of the enemy's effort as yet is unabated, he is only making headway on the centre, and that even there the German momentum is giving signs of slackening.

The Allies are beginning to react with effect on the wings.

The French left is holding well and blocking the German attempts to widen the salient toward Soissons. The French retain a wide bridgehead north of the Aisne above that city—a circumstance highly menacing for the enemy's flank. On the right the British still cling successfully to the group of hills north of the Vesle River.

By Arthur S. Draper

(Special Cable to The Tribune)

LONDON, May 28.—The Berlin communiqué to-night is a psalm of victory and is couched in language to inspire the Germans with enthusiasm for the Hohenzollern dynasty. This is the Crown Prince's battle and he is getting the credit from the very outset.

General Ludendorff states the attack proved a complete surprise and that the Allies offered little resistance, the first line on the Aisne River being reached early in the afternoon of yesterday.

There is no doubt that General von Boehm's army struck with a tremendous force and advanced with an amazing rapidity, reaching the country between the Aisne and the Vesle before nightfall, while Franz von Below's army, striking westward to the north of Rheims, captured Cormicy, Cauroy and Loivre.

The Germans claim to have taken 15,000 prisoners the first day, but make no mention of the number of guns captured.

The German armies to-day drove the British and French back along the twenty-mile front between Vailly and Berry-au-Bac. Greatly outnumbered, the Allied forces were forced to fall back rapidly.

Putting their greatest forces against the centre of the Anglo-French line, the Germans pushed their way across the plateau that rises between the Aisne and Vesle rivers. Late to-day they had succeeded in crossing the Vesle River at several points near Fismes, the French War Office stated to-night.

Fismes Vital Point

The loss of Fismes, an important railroad centre on the north side of the Vesle River, would be serious. By its capture the Germans could cut off Rheims from the west and seriously cripple the Allied communications in this sector.

Measured between Pont-d'Arcy, the point where the German armies crossed the Aisne yesterday, and the vicinity of Fismes, where they crossed the Vesle late to-day, their gains have a maximum depth of seven miles. Berlin reported to-night the capture of 15,000 prisoners.

Already the force of the French and British reserves, which have been drawn up south of Fismes, is coming into play. Following up his policy of exacting a maximum toll from the advancing Germans and withholding his own reserves, General Foch has given ground rapidly to-day, but not without results. Powerful forces are being rushed

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